

ANNUAL REPORTS TO THE LEGISLATURE

AS OF JUNE 30, 2010



CAL-MORTGAGE LOAN INSURANCE DIVISION

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“Equitable Healthcare Accessibility for California”

State of California

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ANNUAL REPORT #1

FINANCIAL STATUS
OF THE
CALIFORNIA HEALTH FACILITY CONSTRUCTION LOAN INSURANCE PROGRAM
AND
INSURED PORTFOLIO

FOR THE FISCAL YEAR ENDING JUNE 30, 2010

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BACKGROUND

OFFICE OF STATEWIDE HEALTH PLANNING AND DEVELOPMENT (OSHPD)

Created in 1978, OSHPD is comprised of several innovative and diverse programs that work in concert to support the interests of government, consumers, and the healthcare industry.

The **Facilities Development Division (FDD)** serves as the building department for hospitals and skilled nursing facilities operating within California. Its primary goal is to promote patient safety by ensuring that each facility remains functional in the event of a natural disaster.

The **Healthcare Information Division (HID)** collects, analyzes, and disseminates information about hospitals, nursing homes, clinics, and home health agencies licensed within California. Examples of facility information include financial reports, service utilization data, and quality of care data.

The **Healthcare Workforce Development Division (HWDD)** promotes a diverse and competent workforce by analyzing California's healthcare infrastructure and workforce issues. HWDD also addresses healthcare workforce needs by providing direct subsidies to medical schools and nursing programs.

The **Health Professions Education Foundation (HPEF)** offers scholarships and loan repayments to students and health professionals who agree to provide patient care in a medically underserved area. Scholarship and loan repayments are offered for allied health, nursing, mental health, dental, and medical professions.

CAL-MORTGAGE LOAN INSURANCE DIVISION

The Cal-Mortgage Loan Insurance Division manages the California Health Facility Construction Loan Insurance Program (Cal-Mortgage Program), which offers loan insurance to nonprofit and public health facilities for the development and expansion of healthcare services throughout California, especially services to residents in medically underserved communities. Cal-Mortgage Program staff analyze loan insurance applications, monitor borrowers' financial performance, and manage problem projects to minimize the risk to the Health Facility Construction Loan Insurance Fund (Insurance Fund).

CAL-MORTGAGE PROGRAM

Modeled after the federal home mortgage insurance program, the Cal-Mortgage Program has made it possible for nonprofit and public healthcare facilities (cities, counties, healthcare districts, or joint powers authorities) to obtain private financing to develop or expand health facilities and services in communities throughout California at no cost to taxpayers. Without such a guarantee, many of these facilities simply could not arrange the financing required to serve their communities.

Created in 1969, the mission of the Cal-Mortgage Program is to insure loans for construction, renovation, and expansion projects that improve healthcare access. The State of California ultimately guarantees the payment of principal and interest on the loans. The loan insurance permits borrowers to obtain low interest rates, similar to the rates available to the State of California, primarily through tax-exempt municipal bonds. The Cal-Mortgage Program is currently authorized to insure up to \$3 billion for health facility projects.

INSURANCE FUND

The California Health Facility Construction Loan Insurance Law established the Insurance Fund. This Insurance Fund is used as a depository of fees and insurance premiums and is used to pay shortfalls resulting from defaults by insured borrowers and the administrative costs of the Cal-Mortgage Program. The Insurance Fund is a trust fund and therefore interest and other earnings generated may only be used for Cal-Mortgage Program purposes.

REASON FOR THE REPORT

In October 1999, Section 129045 was added to the Health and Safety Code. This section requires that OSHPD must:

“annually report to the Legislature the financial status of the program [California Health Facility Construction Loan Insurance Program] and its insured portfolio, including the status of all borrowers in each stage of default and the Office’s [OSHPD] efforts to collect from borrowers that have defaulted on their debt service payments.”

This is the 11th report, as required by this statute.

SUMMARY

For the Fiscal Year Ending (FYE) 2010, the number of insured projects rose from 133 to 139. As a result, the total value of insured loans increased by 5% from \$1.65 to \$1.73 billion. The Insurance Fund decreased from \$192.6 to \$189.7 million.

The table below illustrates the number of loans insured, principal amount of loans insured, and the cash balance of the Insurance Fund of the Cal-Mortgage Program over the last three fiscal years:

	Fiscal Year Ended June 30		
	2008	2009	2010
Number of Loans Insured	137	133 ¹	139
Principal Amount of Loans Insured (\$000)	\$1,374,065	\$1,655,192	\$1,735,068
Cash Balance of the Insurance Fund	\$187,183,615	\$192,557,629	\$189,745,143

Footnote:

¹ In the 2009 Annual Reports to the Legislature, it was reported that the total number of loans insured was 134, upon further examination the total number of loans insured should have been 133, due to an insured line-of-credit with a zero balance which was counted but had terminated before the end of the fiscal year.

Cal-Mortgage Program staff continue to analyze loan insurance applications, monitor projects in the portfolio, and manage problem projects to minimize the risk to the Insurance Fund.

FINANCIAL STATUS OF THE CAL-MORTGAGE PROGRAM

The financial status describes the following elements:

- ❖ Cal-Mortgage Program Activity
- ❖ Revenue and Expenditures
- ❖ Borrower Status
- ❖ Defaulted Borrowers and Anticipated Recoveries
- ❖ Significant Events

CAL-MORTGAGE PROGRAM ACTIVITY

For the FYE 2010, eleven loans were added to the portfolio and five loans terminated during the reporting period, which caused the total number of insured loans to increase by six from 133 to 139. Below is a summary of project activity:

- ❖ 10 – New loans were established
- ❖ 1 – Borrower refinanced an existing loan
- ❖ 5 – Loans were terminated

For more information regarding the portfolio and project activity, please refer to Exhibit I (page 7) and II (page 8), respectively.

REVENUE AND EXPENDITURES

In previous reports this section displayed the Cal-Mortgage Program's Insurance Fund balances. In this year's report, we have revised this section to show more detail pertaining to the Cal-Mortgage Program's revenue and expenditures. The Estimated Net Assets can be seen in Exhibit I (page 7) of this report.

The table below illustrates the Cal-Mortgage Program's revenue and expenditures over the last three fiscal years:

	GAAP Basis Year-End Financial Report ³		
	(Rounded to Nearest Thousand)		
	Fiscal Year Ended June 30		
	2008 ⁴	2009 ⁴	2010 ⁴
Revenue ¹	\$26,477,000	\$27,919,000	\$10,626,000
Operational Expenditures	3,050,000	3,160,000	2,968,000
Default & Liability Expenditures	6,676,000	10,646,000 ²	5,448,000
Total Excess/(Deficit)	<u>\$16,751,000</u>	<u>\$14,113,000</u>	<u>\$2,210,000</u>

Footnote:

¹ Contains long-term receivables that have been accrued, but not yet collected, which may be written off in future years as a default expenditure if not received. Since the inception of the Cal-Mortgage Program, approximately \$6.27 billion in loans have been insured and it has experienced a historical default rate net of recoveries of approximately 2.3%.

² In the FYE 2009, the additional default expenditures were related to two prior defaults, which will be offset by future recoveries.

³ The figures shown are from the GAAP Basis Year-End Financial Report, which are subject to adjustments by other State entities.

⁴ The figures shown reflect an adjustment by the State Controller's Office.

During the last three fiscal years the Cal-Mortgage Program experienced excess revenue over expenditures. Any resulting cash was deposited in the Insurance Fund, which protects against the need to use the State General Fund. Since the Cal-Mortgage Program inception there has been no cost to the State General Fund.

Revenue declined by approximately 60% from FYE 2008 to FYE 2010. One contributing factor was a 53% decline in revenue due to loan premiums from FYE 2008 to FYE 2010, as the demand for health facility capital financing declined. It appears that many potential borrowers chose to postpone capital expansion projects. Decisions to postpone such projects may have been due to the uncertainty surrounding the State's economy and the implementation of national healthcare reform. Another contributing factor for the decline in revenue was a decline in the amount of interest earned on the cash balance of the Insurance Fund, which is invested by the State Treasurer's Office. The average annual interest rate received declined from 4.325% in FYE 2008 to 0.651% in FYE 2010. This resulted in a decrease of interest earned by approximately 84% from \$7.8 million in FYE 2008 to \$1.2 million in FYE 2010.

Operational Expenditures have decreased by 3% from FYE 2008 to FYE 2010. Regarding default expenditures, the Sherman Oaks/Triad default was the largest default in the Cal-Mortgage Program's history. The Sherman Oaks/Triad Bonds defaulted in 1994 and the bond payments are a long-term liability of the Insurance Fund. In FYE 2010, the Insurance Fund made payments of \$11.9 million related to the Sherman Oaks/Triad liability, however on an accrual basis only \$5.4 million in interest is reflected as a default expenditure, as the principal amount of the bonds were previously accrued as a liability shortly after the default occurred. In the FYE 2009, additional default expenditures were related to two prior defaults which will be offset by future anticipated recoveries.

BORROWER STATUS

The Cal-Mortgage Program's portfolio performance is affected by the borrower's ability to repay their loans. In defining borrower financial stability, Cal-Mortgage Program staff assigns a risk rating (A thru F) to each project that corresponds with financial risk and is revised during the year as borrower circumstances change. Moreover, the monitoring process entails reviewing monthly trustee statements, quarterly/monthly financial reports, annual budgets, audited financial statements, and annual site visits. For more information regarding borrower status (risk rating, facility type, and county location), please refer to Exhibit III (page 9), IV (page 14), V (page 21), VI (page 22), and VII (page 29), respectively.

A risk rating of "A" was assigned to 73 loans (73.9% of insured value). This risk rating is for projects that are financially strong and maintain program compliance by making timely monthly payments and submitting required information on-time.

A risk rating of “B” was assigned to 41 loans (19.3% of insured value). This risk rating includes projects that are financially stable and are making timely payments, but have minor technical problems such as late reporting or non-compliance with certain bond covenants, which may include financial ratios. Borrowers develop and implement business plans to correct these problems.

A risk rating of “C” was assigned to 19 loans (5.2% of insured value). This risk rating is assigned to projects with moderate problems such as late payments, high accounts payable days, low liquidity, a debt service coverage ratio below 1.0, or has made a payment to bondholders out of its debt service reserve fund within the last 12 months, but is making progress on replenishing the reserve.

A risk rating of “D” was assigned to 4 loans (1.3% of insured value). This risk rating is assigned to projects with serious problems, such as an exceedingly low days cash on hand, such that it does not appear that the project will be able to meet its next payroll liability or the debt service reserve fund has been used to pay debt service payments to bondholders and the project is not making progress on the replenishment of the reserve.

A risk rating of “E” was assigned to 2 loans (0.3% of insured value). This risk rating is reserved for projects where the Cal-Mortgage Program believes that the project’s debt service reserve fund will be depleted and it will be necessary to use the Insurance Fund to pay the bondholders within two years.

There were no projects with “F” risk rating. This rating is assigned to projects that are the most severe in nature, such as projects that are facing bankruptcy, the debt service reserve fund has been depleted, and the Cal-Mortgage Program anticipates that it will have to make full payment to the bondholders within the year.

DEFAULTED BORROWERS AND ANTICIPATED RECOVERIES

During FYE 2010, there were no new defaults that required payments from the Insurance Fund. In November 2009, the Office resolved a prior default after it collected full payment on a loan to Burt Center from proceeds of the sale of the property.

For purposes of this report, the Cal-Mortgage Program has defined a “default” as any loan requiring a payment on a borrower’s insured obligation from the Insurance Fund. Under this definition, the count of loan defaults as of June 30, 2010 was 15 borrowers with 21 loans. In the previous Annual Reports to the Legislature, the Cal-Mortgage Program reported that 13 borrowers with 15 loans had defaulted on their insured loan obligations. Under prior definitions of default, the Cal-Mortgage Program did not account for two additional borrowers and six loans that required payments from the Insurance Fund.

Exhibit VIII (page 30) identifies the anticipated recoveries from five loans that had previously defaulted and have worked out a repayment plan with the Cal-Mortgage Program to cover the payments made from the Insurance Fund. In addition, it includes two facilities which were sold through direct notes, in which the new owners are making monthly payments. Cal-Mortgage Program staff monitor these obligations to assure repayment to the Insurance Fund.

Exhibit IX (page 31) identifies the Sherman Oaks/Triad Bonds that had previously defaulted and is a payment obligation of the Insurance Fund.

SIGNIFICANT EVENTS

During the FYE 2010, the following significant event affected the Cal-Mortgage Program:

- ❖ The Cal-Mortgage Program was affected by the State's issuance "blackout". There are two "blackout" periods which occur during the fiscal year. The first "blackout" occurs during the period just prior to the introduction of the Governor's Budget, from December into early January. The second "blackout" typically occurs between the period of the Governor's May Revision and the enactment of the budget. Information regarding the State's budget is disclosed in the Official Statement. The "blackout" affects when a borrower's bonds can be sold to investors, which consequently delays borrower's projects, as well as the revenue from premiums collected by the Cal-Mortgage Program.

Exhibit I

Financial Status and Activity Report

As of June 30, 2010

	<u>June 30, 2009</u>	<u>June 30, 2010</u>
Activity		
<i>Number of Insured Projects</i>	133	139
Insured Portfolio		
<i>Total Amount of Insured Loans</i>	\$1,655,191,905	\$1,735,067,632
Health Facility Construction Loan Insurance Fund		
<i>Insurance Fund Cash Balance</i> ¹	192,557,629	189,745,143
<i>Anticipated Recoveries</i> ²	13,078,427	13,133,375
<i>Long-Term Liabilities Related to Defaults</i> ³	(110,665,000)	(104,330,000)
Estimated Net Assets	\$ 94,971,056	\$ 98,548,518

Footnotes:

¹ As reported held in the State Treasury

² For more information regarding anticipated recoveries, please refer to Exhibit VIII

³ For more information regarding liabilities, please refer to Exhibit IX

Projects Insured During FY 2009 - 2010

(Sorted by loan closing date)

Borrower Name	City	Facility Type	Loan Amount	Loan Closed	Loan Type
Pilgrim Place	Claremont	Multi - CCRC	\$ 26,500,000	08/19/2009	New
Mendocino Coast Hospital	Fort Bragg	Hosp - District	5,000,000	10/14/2009	New
Asian Health Services	Oakland	Clinic - PC	4,005,000	10/21/2009	Refinance
The HELP Group	Sherman Oaks	Clinic - MH	5,395,000	11/19/2009	New
Children's Institute International	Los Angeles	GH - MD	14,300,000	12/03/2009	New
Casa de las Campanas	San Diego	Multi - CCRC	54,310,000	01/28/2010	New
Southwest Community Health Center	Santa Rosa	Clinic - PC	13,270,000	02/28/2010	New
Salud Para La Gente	Watsonville	Clinic - PC	3,350,000	03/17/2010	New
Mendocino Coast Hospital - LOC	Fort Bragg	Hosp - District	1,000,000	03/01/2010	New
Valley Community Clinic	North Hollywood	Clinic - PC	2,040,000	03/24/2010	New
Petaluma Health Center	Petaluma	Clinic - PC	5,865,000	06/02/2010	New
Total Projects Insured	11		\$ 135,035,000		

Exhibit III

Insured Projects by Borrower

As of June 30, 2010

Borrower Name	City	Facility Type	Risk Rating	Date Loan Insured	Original Insured Amount	Current Principal Balance
Advent Group Ministries	San Jose	GH-MD	C	01/27/2005	\$ 400,000	\$ 290,150
AIDS Healthcare Foundation	Los Angeles	HOSPICE	A	07/21/2005	7,250,000	5,610,000
Aldersly	San Rafael	MULTI-CCRC	A	09/26/2002	7,125,000	6,130,000
Aldersly	San Rafael	MULTI-CCRC	A	07/19/2004	1,200,000	903,468
Altamed Health Services	Commerce	CLINIC-PC	A	04/28/2000	5,250,000	3,660,000
Apple Valley Christian Centers	Apple Valley	SNF	D	05/24/2001	9,525,000	7,485,000
Apple Valley Christian Centers	Apple Valley	SNF	D	06/16/2003	350,000	64,250
Ararat Home of Los Angeles	Mission Hills	MULTI-OTH	A	04/29/1998	6,460,000	3,980,000
Asian Community Skilled Nursing Facility	Sacramento	SNF	A	04/12/2005	2,070,000	1,155,000
Asian Community Skilled Nursing Facility	Sacramento	SNF	A	10/03/2007	19,405,000	19,050,000
Asian Health Services	Oakland	CLINIC-PC	C	10/21/2009	4,005,000	4,005,000
Beacon House	San Pedro	CDRF	B	12/08/1993	2,280,000	1,540,000
Becoming Independent	Santa Rosa	ADC-DD	A	02/29/1996	1,665,000	1,000,000
Becoming Independent	Santa Rosa	ADC-DD	A	01/21/2004	5,000,000	4,375,000
California Autism Foundation	Richmond	GH-DD/MD	B	04/12/2005	3,950,000	2,965,000
California Nevada Methodist Homes	Oakland	MULTI-CCRC	B	05/03/2006	42,280,000	42,280,000
CARES	Sacramento	CLINIC-AIDS	A	04/30/1998	3,330,000	2,260,000
Casa de Las Campanas	San Diego	MULTI-CCRC	A	01/28/2010	54,310,000	54,310,000
Catholic Healthcare West	San Francisco	MULTI-OTH	A	03/17/1993	9,360,000	4,685,000
Children's Institute International	Los Angeles	GH-MD	A	02/27/1992	5,635,000	3,745,000
Children's Institute International	Los Angeles	GH-MD	A	12/03/2009	14,300,000	14,300,000
Clare Foundation	Santa Monica	CDRF	A	04/29/2003	1,750,000	1,295,000
Clinicas de Salud del Pueblo	Brawley	CLINIC-PC	A	03/11/2008	3,925,000	3,740,000
Clinicas del Camino Real	Ventura	CLINIC-PC	A	04/12/2005	9,440,000	7,690,000
Community Church Retirement Center	Mill Valley	MULTI-OTH	A	03/11/1997	6,115,000	3,775,000
Community Health Centers of the Central Coast	Nipomo	CLINIC-PC	B	07/17/1990	770,000	445,000
Community Health Systems	Moreno Valley	CLINIC-PC	C	08/30/2000	1,295,000	1,020,000
Community Medical Center	Stockton	CLINIC-PC	A	04/12/2005	3,220,000	2,600,000
Corcoran District Hospital	Corcoran	HOSP-DIST	B	07/23/1992	1,555,000	385,000
Corcoran District Hospital	Corcoran	HOSP-DIST	B	08/01/2001	800,000	558,490

Borrower Name	City	Facility Type	Risk Rating	Date Loan Insured	Original Insured Amount	Current Principal Balance
Del Norte Clinics	Yuba City	CLINIC-PC	B	04/28/2000	1,105,000	750,000
Del Norte Clinics	Yuba City	CLINIC-PC	B	12/23/2003	8,795,000	7,370,000
Desarrollo Familiar	Richmond	CLINIC-MH	B	12/23/1986	150,000	70,000
Desert AIDS Project	Palm Springs	CLINIC-AIDS	A	04/26/2001	3,570,000	2,725,000
Drug Abuse Alternatives Center	Santa Rosa	CDRF	B	11/18/1993	1,825,000	1,195,000
El Centro Regional Medical Center	El Centro	HOSP	A	04/26/2001	39,300,000	31,550,000
Elder Care Alliance of Union City	Union City	MULTI-OTH	C	06/08/2004	15,685,000	15,110,000
Enloe Medical Center	Chico	HOSP	A	08/21/2008	68,915,000	65,730,000
Enloe Medical Center	Chico	HOSP	A	08/21/2008	166,680,000	166,680,000
Exceptional Children's Foundation	Culver City	GH-DD/MD	B	09/27/1995	2,990,000	1,735,000
Families First	Campbell	CLINIC-MH	A	03/11/1997	7,025,000	4,065,000
Families First	Campbell	GH-DD/MD	A	03/15/2000	17,600,000	11,480,000
Family Health Care Network	Porterville	CLINIC-PC	A	04/15/2008	7,910,000	7,545,000
Feedback Foundation / Senior Services	Anaheim	ADHC	A	12/01/1992	2,140,000	1,420,000
Fellowship Homes	Modesto	MULTI-OTH	A	08/27/1996	6,065,000	3,570,000
Front Porch Communities and Services	Burbank	MULTI-CCRC	A	09/17/1997	4,430,000	2,395,000
Front Porch Communities and Services	Burbank	MULTI-CCRC	A	02/25/1999	5,685,000	4,090,000
Golden Valley Health Centers	Merced	CLINIC-PC	A	01/28/1994	3,785,000	2,095,000
Henrietta Weill Memorial	Bakersfield	CLINIC-MH	C	10/14/1992	1,445,000	425,000
Henry Mayo Newhall Memorial Hospital	Valencia	HOSP	A	02/21/2001	54,895,000	46,970,000
Henry Mayo Newhall Memorial Hospital	Valencia	HOSP	A	08/01/2007	45,000,000	45,000,000
Henry Mayo Newhall Memorial Hospital	Valencia	HOSP	A	08/01/2007	30,000,000	30,000,000
Hill Country Community Clinic	Round Mountain	CLINIC-PC	B	10/30/2007	5,250,000	5,140,000
Home for Jewish Parents	Danville	MULTI-OTH	B	07/09/1997	12,555,000	8,350,000
HOPE Services	San Jose	ADC-DD	B	06/11/2002	5,845,000	4,055,000
Institute on Aging	San Francisco	MULTI-OTH	A	08/28/2008	41,405,000	41,380,000
Keiro Nursing Home	Los Angeles	SNF	A	09/29/2004	8,665,000	5,715,000
Kern Valley Healthcare District	Mountain Mesa	HOSP-DIST	D	05/30/1999	1,500,000	833,133
Kern Valley Healthcare District	Mountain Mesa	HOSP-DIST	D	09/26/2003	17,770,000	13,605,000
Kinship Center	Salinas	CLINIC: MULTI	A	03/14/2006	2,910,000	2,610,000
La Maestra Family Clinic	San Diego	CLINIC-PC	A	09/04/2008	18,500,000	18,500,000

Insured Projects by Borrower, *continued*

Borrower Name	City	Facility Type	Risk Rating	Date Loan Insured	Original Insured Amount	Current Principal Balance
Lifelong Medical Care	Berkeley	CLINIC-PC	B	12/14/1998	2,970,000	2,175,000
Lincoln Child Center	Oakland	GH-MD	B	11/23/1999	2,900,000	2,140,000
Lincoln Glen Manor for Senior Citizens	San Jose	MULTI-OTH	A	03/09/2000	7,500,000	5,825,000
Lodi Memorial Hospital Association	Lodi	HOSP	A	10/26/2000	12,570,000	1,530,000
Lodi Memorial Hospital Association	Lodi	HOSP	A	12/13/2007	150,000,000	150,000,000
Lompoc District Hospital	Lompoc	HOSP-DIST	A	09/23/1998	6,375,000	2,835,000
Lompoc District Hospital	Lompoc	HOSP-DIST	A	05/29/2009	4,060,000	4,060,000
Los Angeles Centers for Alcohol & Drug Abuse	Santa Fe Springs	CDRF	B	05/30/2007	2,795,000	2,510,000
Los Angeles Jewish Home for the Aging	Reseda	MULTI-OTH	B	12/17/2003	80,000,000	74,930,000
Los Angeles Jewish Home for the Aging	Reseda	MULTI-OTH	B	02/14/2008	59,595,000	59,595,000
Los Angeles Jewish Home for the Aging	Reseda	MULTI-OTH	B	01/20/2009	4,900,000	-
Lytton Gardens	Palo Alto	SNF	B	12/09/1999	16,355,000	13,820,000
Marshall Medical Center	Placerville	HOSP	A	10/06/1993	19,975,000	6,270,000
Marshall Medical Center	Placerville	HOSP	A	05/13/1998	28,030,000	18,870,000
Marshall Medical Center	Placerville	HOSP	A	03/25/2004	30,000,000	29,700,000
Marshall Medical Center	Placerville	HOSP	A	03/25/2004	20,000,000	20,000,000
Mayers Memorial Hospital District	Fall River Mills	HOSP-DIST	C	03/28/2007	6,005,000	4,330,000
Mayers Memorial Hospital District	Fall River Mills	HOSP-DIST	C	07/12/2007	1,000,000	1,000,000
Mendocino Coast Health Care District	Fort Bragg	HOSP-DIST	B	08/28/1996	4,030,000	2,330,000
Mendocino Coast Health Care District	Fort Bragg	HOSP-DIST	B	10/14/2009	5,000,000	5,000,000
Mendocino Coast Health Care District - LOC	Fort Bragg	HOSP-DIST	B	03/01/2010	1,000,000	-
Momentum for Mental Health	San Jose	GH-MD	B	11/13/2003	10,500,000	7,825,000
Mountain Valley	Bieber	CLINIC-PC	C	10/28/1992	1,000,000	670,000
Mountain Valley	Bieber	CLINIC-PC	C	03/24/1993	900,000	575,000
Native American Health Center	Oakland	CLINIC-PC	A	06/07/2007	7,829,359	7,829,359
North County Health Services	San Marcos	CLINIC-PC	B	03/14/1996	5,500,000	3,455,000
North County Serenity House	Escondido	CDRF	B	01/28/2003	5,795,000	4,745,000
North County Serenity House	Escondido	CDRF	B	03/20/2009	300,000	-
Northern California Retired Officers Community	Fairfield	MULTI-CCRC	A	12/19/2002	49,755,000	39,805,000

Borrower Name	City	Facility Type	Risk Rating	Date Loan Insured	Original Insured Amount	Current Principal Balance
Northern California Retired Officers Community	Fairfield	MULTI-CCRC	A	12/20/2005	16,125,000	11,325,000
Odd Fellows Home of California	Saratoga	MULTI-OTH	A	10/06/1993	18,995,000	12,995,000
Odd Fellows Home of California	Saratoga	MULTI-CCRC	A	10/14/1999	34,500,000	27,040,000
Odd Fellows Home of California	Saratoga	MULTI-CCRC	A	01/07/2003	80,000,000	73,795,000
Options Family of Services	Morro Bay	GH-DD/MD	B	05/30/2007	3,090,000	2,880,000
Oroville Hospital	Oroville	HOSP	C	10/15/1997	27,670,000	14,650,000
Oroville Hospital	Oroville	HOSP	C	09/04/2008	2,500,000	-
Petaluma Health Center	Petaluma	CLINIC-PC	A	06/02/2010	5,865,000	5,865,000
Pilgrim Place in Claremont	Claremont	MULTI-CCRC	A	08/19/2009	26,500,000	26,500,000
Principles	Pasadena	CDRF	A	04/29/2003	2,040,000	1,510,000
Prototypes	Culver City	CDRF	B	06/27/2001	4,195,000	2,690,000
Redwoods Rural Health Center	Redway	CLINIC-PC	A	03/13/1990	1,250,000	735,000
Retirement Housing Foundation	Long Beach	MULTI-OTH	B	12/28/2000	19,375,000	15,515,000
Salud Para La Gente	Watsonville	CLINIC-PC	A	03/17/2010	3,350,000	3,350,000
San Fernando Community Hospital - Mission Community	Panorama City	HOSP	C	12/11/2001	35,445,000	28,835,000
San Fernando Valley Community Mental Health Center	Van Nuys	ADHC	A	06/26/1998	3,700,000	2,515,000
Sansum Clinic	Santa Barbara	CLINIC: MULTI	A	05/01/2002	32,600,000	25,730,000
Scott Street Senior Housing Complex	San Francisco	MULTI-OTH	A	06/18/1998	37,770,000	26,960,000
Sierra View Homes	Reedley	MULTI-OTH	A	12/18/1996	4,425,000	2,705,000
Social Model Recovery Systems	Covina	CDRF	C	06/27/2001	1,890,000	1,435,000
Social Model Recovery Systems	Covina	CDRF	C	04/12/2005	955,000	740,000
Social Science Services	Bloomington	CDRF	B	04/28/2000	1,970,000	1,245,000
Solheim Lutheran Home	Los Angeles	MULTI-CCRC	A	12/02/2004	6,415,000	4,210,000
Solvang Lutheran Home	Solvang	MULTI-CCRC	A	08/27/1996	5,210,000	2,860,000
South Bay Alcoholism Services	Torrance	CDRF	C	03/24/1993	1,290,000	830,000
Southern California Development - V O A	San Diego	GH-MD	B	01/11/1996	3,500,000	1,495,000
Southern California Alcohol & Drug Program	Downey	CDRF	B	12/18/1997	4,095,000	2,800,000
Southern California Alcohol & Drug Program	Downey	CDRF	B	05/30/2001	1,780,000	1,360,000
Southern California Alcohol & Drug Program	Downey	CDRF	B	04/12/2005	1,885,000	1,520,000

Insured Projects by Borrower, *continued*

Borrower Name	City	Facility Type	Risk Rating	Date Loan Insured	Original Insured Amount	Current Principal Balance
Southwest Community Health Center	Santa Rosa	CLINIC-PC	A	02/28/2010	13,270,000	13,270,000
St. Rose Hospital	Hayward	HOSP	B	05/28/2009	42,100,000	42,000,000
St. Rose Hospital	Hayward	HOSP	B	05/28/2009	7,500,000	3,000,000
T L C Child & Family Services	Sebastopol	GH-DD/MD	A	09/17/1997	1,700,000	1,140,000
T L C Child & Family Services	Sebastopol	GH-DD/MD	A	10/17/2000	2,400,000	1,885,000
Tarzana Treatment Center	Tarzana	CDRF	A	12/09/1998	1,950,000	1,390,000
The Episcopal Home Communities	Alhambra	MULTI-CCRC	A	02/26/2002	90,000,000	79,110,000
The HELP Group	Sherman Oaks	CLINIC-MH	A	05/22/1998	17,275,000	11,790,000
The HELP Group	Sherman Oaks	CLINIC-MH	A	05/25/2000	17,620,000	14,035,000
The HELP Group	Sherman Oaks	CLINIC-MH	A	11/19/2009	5,395,000	5,395,000
United Health Center of the San Joaquin Valley	Parlier	CLINIC-PC	B	04/28/2000	950,000	645,000
Valley Community Clinic	Hollywood	CLINIC-PC	B	03/24/2010	2,040,000	2,040,000
Valley Health Team	San Joaquin	CLINIC-PC	A	03/11/2008	2,325,000	2,250,000
Verdugo Mental Health	Glendale	CLINIC-MH	E	04/12/2005	1,025,000	810,000
Verdugo Mental Health	Glendale	CLINIC-MH	E	03/07/2007	5,505,000	5,220,000
Victor Valley Community Hospital	Victorville	HOSP	C	05/26/2000	8,470,000	2,620,000
Victor Valley Community Hospital	Victorville	HOSP	C	07/30/2007	4,900,000	4,458,782
Walden House	San Francisco	CDRF	C	12/30/2004	7,475,000	5,715,000
Walden House	San Francisco	CDRF	C	06/01/2008	4,500,000	3,350,000
West Oakland Health Council	Oakland	CLINIC-PC	B	07/21/2003	2,225,000	1,570,000
Total Insured Projects	139				\$ 2,017,064,359	\$ 1,735,067,632

Facility Type	Facility Type	Risk Ratings	
ADC-DD	Adult Day Care: Developmentally Disabled	A - no problems B - minor problems C - moderate problems D - serious problems, missed payments E - default anticipated, partial Debt Service Reserve Fund F - defaulted; HFCLIF funds being used	
ADHC	Adult Day Health Care		
CDRF	Chemical Dependency Recovery Facility		
CLINIC: MULTI	Clinic: Multi-Specialty and Diagnostic Services		
CLINIC-AIDS	Clinic: AIDS		
CLINIC-MH	Clinic: Mental Health		
CLINIC-PC	Clinic: Primary Care		
GH-DD	Group Home: Developmentally Disabled		
	GH-DD/MD		Group Home: Developmentally Disabled and Mentally Disabled or Emotionally Disabled
	GH-MD		Group Home: Mentally Disabled or Emotionally Disabled
	HOSP		Hospital: General Acute Care
	HOSP-DIST		Hospital: District
	HOSPICE		Hospice
	MULTI-CCRC	Multi-Level: Continuing Care Retirement Community	
	MULTI-OTH	Multi-Level: Other (Month-to-Month)	
	SNF	Skilled Nursing Facility	

Insured Projects by Facility Type

As of June 30, 2010

Borrower Name	City	Date Loan Insured	Original Insured Amount	Current Principal Balance
Becoming Independent	Santa Rosa	02/29/1996	\$ 1,665,000	\$ 1,000,000
Becoming Independent	Santa Rosa	01/21/2004	5,000,000	4,375,000
HOPE Services	San Jose	06/11/2002	5,845,000	4,055,000
Total Adult Day Care: Developmentally Disabled	3		\$ 12,510,000	\$ 9,430,000
Feedback Foundation / Senior Services	Anaheim	12/01/1992	\$ 2,140,000	\$ 1,420,000
San Fernando Valley Community Mental Health Center	Van Nuys	06/26/1998	3,700,000	2,515,000
Total Adult Day Health Care	2		\$ 5,840,000	\$ 3,935,000
Beacon House	San Pedro	12/08/1993	\$ 2,280,000	\$ 1,540,000
Clare Foundation	Santa Monica	04/29/2003	1,750,000	1,295,000
Drug Abuse Alternatives Center	Santa Rosa	11/18/1993	1,825,000	1,195,000
Los Angeles Centers for Alcohol & Drug Abuse	Santa Fe Springs	05/30/2007	2,795,000	2,510,000
North County Serenity House	Escondido	01/28/2003	5,795,000	4,745,000
North County Serenity House	Escondido	03/20/2009	300,000	-
Principles	Pasadena	04/29/2003	2,040,000	1,510,000
Prototypes	Pomona	06/27/2001	4,195,000	2,690,000
Social Model Recovery Systems	Covina	06/27/2001	1,890,000	1,435,000
Social Model Recovery Systems	Orange	04/12/2005	955,000	740,000
Social Science Services	Bloomington	04/28/2000	1,970,000	1,245,000
South Bay Alcoholism Services	Long Beach	03/24/1993	1,290,000	830,000
Southern California Alcohol & Drug Program	Downey	12/18/1997	4,095,000	2,800,000
Southern California Alcohol & Drug Program	Downey	05/30/2001	1,780,000	1,360,000
Southern California Alcohol & Drug Program	Downey	04/12/2005	1,885,000	1,520,000

Insured Projects by Facility Type, *continued*

Borrower Name	City	Date Loan Insured	Original Insured Amount	Current Principal Balance
Tarzana Treatment Center	Long Beach	12/09/1998	1,950,000	1,390,000
Walden House	San Francisco	12/30/2004	7,475,000	5,715,000
Walden House	San Francisco	06/01/2008	4,500,000	3,350,000
Total Chemical Dependency Recovery Facility	18		\$ 48,770,000	\$ 35,870,000
Kinship Center	Salinas	03/14/2006	\$ 2,910,000	\$ 2,610,000
Sansum Clinic	Santa Barbara	05/01/2002	32,600,000	25,730,000
Total Clinic: Multi-Specialty and Diagnostic Services	2		\$ 35,510,000	\$ 28,340,000
CARES	Sacramento	04/30/1998	\$ 3,330,000	\$ 2,260,000
Desert AIDS Project	Palm Springs	04/26/2001	3,570,000	2,725,000
Total Clinic: AIDS	2		\$ 6,900,000	\$ 4,985,000
Desarrollo Familiar	Richmond	12/23/1986	\$ 150,000	\$ 70,000
Families First	Campbell	03/11/1997	7,025,000	4,065,000
Henrietta Weill Memorial	Bakersfield	10/14/1992	1,445,000	425,000
The HELP Group	Sherman Oaks	05/22/1998	17,275,000	11,790,000
The HELP Group	Culver City	05/25/2000	17,620,000	14,035,000
The HELP Group	Sherman Oaks	11/19/2009	5,395,000	5,395,000
Verdugo Mental Health	Glendale	04/12/2005	1,025,000	810,000
Verdugo Mental Health	Glendale	03/07/2007	5,505,000	5,220,000
Total Clinic: Mental Health	8		\$ 55,440,000	\$ 41,810,000
Altamed Health Services	Los Angeles	04/28/2000	\$ 5,250,000	\$ 3,660,000
Asian Health Services	Oakland	10/21/2009	4,005,000	4,005,000
Clinicas de Salud del Pueblo	Brawley	03/11/2008	3,925,000	3,740,000
Clinicas del Camino Real	Oxnard	04/12/2005	9,440,000	7,690,000

Borrower Name	City	Date Loan Insured	Original Insured Amount	Current Principal Balance
Community Health Centers of the Central Coast	Nipomo	07/17/1990	770,000	445,000
Community Health Systems	Bloomington	08/30/2000	1,295,000	1,020,000
Community Medical Center	Stockton	04/12/2005	3,220,000	2,600,000
Del Norte Clinics	Yuba City	04/28/2000	1,105,000	750,000
Del Norte Clinics	Yuba City	12/23/2003	8,795,000	7,370,000
Family Health Care Network	Porterville	04/15/2008	7,910,000	7,545,000
Golden Valley Health Centers	Merced	01/28/1994	3,785,000	2,095,000
Hill Country Community Clinic	Round Mountain	10/30/2007	5,250,000	5,140,000
La Maestra Family Clinic	San Diego	09/04/2008	18,500,000	18,500,000
Lifelong Medical Care	Berkeley	12/14/1998	2,970,000	2,175,000
Mountain Valley	Tulelake	10/28/1992	1,000,000	670,000
Mountain Valley	Bieber	03/24/1993	900,000	575,000
Native American Health Center	Oakland	06/07/2007	7,829,359	7,829,359
North County Health Services	San Marcos	03/14/1996	5,500,000	3,455,000
Petaluma Health Center	Petaluma	06/02/2010	5,865,000	5,865,000
Redwoods Rural Health Center	Redway	03/13/1990	1,250,000	735,000
Salud Para La Gente	Watsonville	03/17/2010	3,350,000	3,350,000
Southwest Community Health Center	Santa Rosa	02/28/2010	13,270,000	13,270,000
United Health Center of the San Joaquin Valley	Parlier	04/28/2000	950,000	645,000
Valley Community Clinic	Hollywood	03/24/2010	2,040,000	2,040,000
Valley Health Team	San Joaquin	03/11/2008	2,325,000	2,250,000
West Oakland Health Council	Oakland	07/21/2003	2,225,000	1,570,000
Total Clinic: Primary Care	26		\$ 122,724,359	\$ 108,989,359

Insured Projects by Facility Type, *continued*

Borrower Name	City	Date Loan Insured	Original Insured Amount	Current Principal Balance
California Autism Foundation	Richmond	04/12/2005	\$ 3,950,000	\$ 2,965,000
Exceptional Children's Foundation	Los Angeles	09/27/1995	2,990,000	1,735,000
Families First	Davis	03/15/2000	17,600,000	11,480,000
Options Family of Services	Santa Maria	05/30/2007	3,090,000	2,880,000
T L C Child & Family Services	Sebastopol	09/17/1997	1,700,000	1,140,000
T L C Child & Family Services	Sebastopol	10/17/2000	2,400,000	1,885,000
Total Group Home: Developmentally, Mentally, or Emotionally Disabled	6		\$ 31,730,000	\$ 22,085,000
Advent Group Ministries	San Jose	01/27/2005	\$ 400,000	\$ 290,150
Children's Institute International	Los Angeles	02/27/1992	5,635,000	3,745,000
Children's Institute International	Los Angeles	12/03/2009	14,300,000	14,300,000
Lincoln Child Center	Oakland	11/23/1999	2,900,000	2,140,000
Momentum for Mental Health	San Jose	11/13/2003	10,500,000	7,825,000
Southern California Development - V O A	El Centro	01/11/1996	3,500,000	1,495,000
Total Group Home: Mentally or Emotionally Disabled	6		\$ 37,235,000	\$ 29,795,150
El Centro Regional Medical Center	El Centro	04/26/2001	\$ 39,300,000	\$ 31,550,000
Enloe Medical Center	Chico	08/21/2008	68,915,000	65,730,000
Enloe Medical Center	Chico	08/21/2008	166,680,000	166,680,000
Henry Mayo Newhall Memorial Hospital	Valencia	02/21/2001	54,895,000	46,970,000
Henry Mayo Newhall Memorial Hospital	Valencia	08/01/2007	45,000,000	45,000,000
Henry Mayo Newhall Memorial Hospital	Valencia	08/01/2007	30,000,000	30,000,000
Lodi Memorial Hospital Association	Lodi	10/26/2000	12,570,000	1,530,000
Lodi Memorial Hospital Association	Lodi	12/13/2007	150,000,000	150,000,000

Borrower Name	City	Date Loan Insured	Original Insured Amount	Current Principal Balance
Marshall Medical Center	Placerville	10/06/1993	19,975,000	6,270,000
Marshall Medical Center	Placerville	05/13/1998	28,030,000	18,870,000
Marshall Medical Center	Placerville	03/25/2004	30,000,000	29,700,000
Marshall Medical Center	Placerville	03/25/2004	20,000,000	20,000,000
Oroville Hospital	Oroville	10/15/1997	27,670,000	14,650,000
Oroville Hospital	Oroville	09/04/2008	2,500,000	-
San Fernando Community Hospital - Mission Community	Panorama City	12/11/2001	35,445,000	28,835,000
St. Rose Hospital	Hayward	05/28/2009	42,100,000	42,000,000
St. Rose Hospital	Hayward	05/28/2009	7,500,000	3,000,000
Victor Valley Community Hospital	Victorville	05/26/2000	8,470,000	2,620,000
Victor Valley Community Hospital	Victorville	07/30/2007	4,900,000	4,458,782
Total Hospital: General Acute Care	19		\$ 793,950,000	\$ 707,863,782
Corcoran District Hospital	Corcoran	07/23/1992	\$ 1,555,000	\$ 385,000
Corcoran District Hospital	Corcoran	08/01/2001	800,000	558,490
Kern Valley Healthcare District	Mountain Mesa	05/30/1999	1,500,000	833,133
Kern Valley Healthcare District	Mountain Mesa	09/26/2003	17,770,000	13,605,000
Lompoc District Hospital	Lompoc	09/23/1998	6,375,000	2,835,000
Lompoc District Hospital	Lompoc	05/29/2009	4,060,000	4,060,000
Mayers Memorial Hospital District	Fall River Mills	03/28/2007	6,005,000	4,330,000
Mayers Memorial Hospital District	Fall River Mills	07/12/2007	1,000,000	1,000,000
Mendocino Coast Health Care District	Fort Bragg	08/28/1996	4,030,000	2,330,000
Mendocino Coast Health Care District	Fort Bragg	10/14/2009	5,000,000	5,000,000
Mendocino Coast Health Care District	Fort Bragg	03/01/2010	1,000,000	-
Total Hospital: District	11		\$ 49,095,000	\$ 34,936,623

Insured Projects by Facility Type, *continued*

Borrower Name	City	Date Loan Insured	Original Insured Amount	Current Principal Balance
AIDS Healthcare Foundation	Los Angeles	07/21/2005	\$ 7,250,000	\$ 5,610,000
Total Hospice	1		\$ 7,250,000	\$ 5,610,000
Aldersly	San Rafael	09/26/2002	\$ 7,125,000	\$ 6,130,000
Aldersly	San Rafael	07/19/2004	1,200,000	903,468
California Nevada Methodist Homes	Pacific Grove	05/03/2006	42,280,000	42,280,000
Casa de las Campanas	Rancho Bernardo	01/28/2010	54,310,000	54,310,000
Front Porch Communities and Services	Cupertino	09/17/1997	4,430,000	2,395,000
Front Porch Communities and Services	Cupertino	02/25/1999	5,685,000	4,090,000
Northern California Retired Officers Community	Fairfield	12/19/2002	49,755,000	39,805,000
Northern California Retired Officers Community	Fairfield	12/20/2005	16,125,000	11,325,000
Odd Fellows Home of California	Saratoga	10/14/1999	34,500,000	27,040,000
Odd Fellows Home of California	Saratoga	01/07/2003	80,000,000	73,795,000
Pilgrim Place in Claremont	Claremont	08/19/2009	26,500,000	26,500,000
Solheim Lutheran Home	Los Angeles	12/02/2004	6,415,000	4,210,000
Solvang Lutheran Home	Solvang	08/27/1996	5,210,000	2,860,000
The Episcopal Home Communities	Aliso Viejo	02/26/2002	90,000,000	79,110,000
Total Multi-Level: Continuing Care Retirement Community	14		\$ 423,535,000	\$ 374,753,468
Ararat Home of Los Angeles, Inc.	Mission Hills	04/29/1998	\$ 6,460,000	\$ 3,980,000
Catholic Healthcare West	Sacramento	03/17/1993	9,360,000	4,685,000
Community Church Retirement Center	Mill Valley	03/11/1997	6,115,000	3,775,000
Elder Care Alliance of Union City	Union City	06/08/2004	15,685,000	15,110,000
Fellowship Homes, Inc.	Modesto	08/27/1996	6,065,000	3,570,000
Home for Jewish Parents	Danville	07/09/1997	12,555,000	8,350,000

Borrower Name	City	Date Loan Insured	Original Insured Amount	Current Principal Balance
Institute on Aging	San Francisco	08/28/2008	41,405,000	41,380,000
Lincoln Glen Manor for Senior Citizens	San Jose	03/09/2000	7,500,000	5,825,000
Los Angeles Jewish Home for the Aging	Los Angeles	12/17/2003	80,000,000	74,930,000
Los Angeles Jewish Home for the Aging	Los Angeles	02/14/2008	59,595,000	59,595,000
Los Angeles Jewish Home for the Aging	Los Angeles	01/20/2009	4,900,000	-
Odd Fellows Home of California	Napa	10/06/1993	18,995,000	12,995,000
Retirement Housing Foundation, Inc.	Poway	12/28/2000	19,375,000	15,515,000
Scott Street Senior Housing Complex	San Francisco	06/18/1998	37,770,000	26,960,000
Sierra View Homes Inc.	Reedley	12/18/1996	4,425,000	2,705,000
Total Multi-Level: Other Month-to-Month	15		\$ 330,205,000	\$ 279,375,000
Apple Valley Christian Centers	Apple Valley	05/24/2001	\$ 9,525,000	\$ 7,485,000
Apple Valley Christian Centers	Apple Valley	06/16/2003	350,000	64,250
Asian Community Skilled Nursing Facility	Sacramento	04/12/2005	2,070,000	1,155,000
Asian Community Skilled Nursing Facility	Sacramento	10/03/2007	19,405,000	19,050,000
Keiro Nursing Home	Los Angeles	09/29/2004	8,665,000	5,715,000
Lytton Gardens, Inc.	Palo Alto	12/09/1999	16,355,000	13,820,000
Total Skilled Nursing Facility	6		\$ 56,370,000	\$ 47,289,250
Total Insured Projects For All Facilities Represented	139		\$ 2,017,064,359	\$ 1,735,067,632

Exhibit V

Risk Rating by Facility Type Based on Current Principal Balance as of June 30, 2010

Facility Type	"A" Rated		"B" Rated		"C" Rated		"D" Rated		"E" Rated		Portfolio	
	Current Principal Balance	Percent	Current Principal Balance	Percent	Current Principal Balance	Percent	Current Principal Balance	Percent	Current Principal Balance	Percent	Current Principal Balance	Percent
ADC-DD	\$5,375,000	0.3%	\$4,055,000	0.2%							\$9,430,000	0.5%
ADHC	\$3,935,000	0.2%									\$3,935,000	0.2%
CDRF	\$4,195,000	0.2%	\$19,605,000	1.1%	\$12,070,000	0.7%					\$35,870,000	2.1%
CLINIC: MULTI	\$28,340,000	1.6%									\$28,340,000	1.6%
CLINIC-AIDS	\$4,985,000	0.3%									\$4,985,000	0.3%
CLINIC-MH	\$35,285,000	2.0%	\$70,000	0.004%	\$425,000	0.02%			\$6,030,000	0.3%	\$41,810,000	2.4%
CLINIC-PC	\$79,129,359	4.6%	\$23,590,000	1.4%	\$6,270,000	0.4%					\$108,989,359	6.3%
GH-DD/MD	\$14,505,000	0.8%	\$7,580,000	0.4%							\$22,085,000	1.3%
GH-MD	\$18,045,000	1.0%	\$11,460,000	0.7%	\$290,150	0.02%					\$29,795,150	1.7%
HOSP	\$612,300,000	35.3%	\$45,000,000	2.6%	\$50,563,782	2.9%					\$707,863,782	40.8%
HOSP-DIST	\$6,895,000	0.4%	\$8,273,490	0.5%	\$5,330,000	0.3%	\$14,438,133	0.8%			\$34,936,623	2.0%
HOSPICE	\$5,610,000	0.3%									\$5,610,000	0.3%
MULTI-CCRC	\$332,473,468	19.2%	\$42,280,000	2.4%							\$374,753,468	21.6%
MULTI-OTH	\$105,875,000	6.1%	\$158,390,000	9.1%	\$15,110,000	0.9%					\$279,375,000	16.1%
SNF	\$25,920,000	1.5%	\$13,820,000	0.8%			\$7,549,250	0.4%			\$47,289,250	2.7%
Total	\$1,282,867,827	73.9%	\$334,123,490	19.3%	\$90,058,933	5.2%	\$21,987,383	1.3%	\$6,030,000	0.3%	\$1,735,067,632	100.0%

Facility Type	Facility Type	Risk Ratings
ADC-DD	Adult Day Care: Developmentally Disabled	GH-DD/MD Group Home: Developmentally Disabled and Mentally Disabled or Emotionally Disabled
ADHC	Adult Day Health Care	GH-MD Group Home: Mentally Disable or Emotionally Disabled
CDRF	Chemical Dependency Recovery Facility	HOSP Hospital: General Acute Care
CLINIC: MULTI	Clinic: Multi-Specialty and Diagnostic Services	HOSP-DIST Hospital: District
CLINIC-AIDS	Clinic: AIDS	HOSPICE Hospice
CLINIC-MH	Clinic: Mental Health	MULTI-CCRC Multi-Level: Continuing Care Retirement Community
CLINIC-PC	Clinic: Primary Care	MULTI-OTH Multi-Level: Other (Month-to-Month)
GH-DD	Group Home: Developmentally Disabled	SNF Skilled Nursing Facility

Insured Projects by County

as of June 30, 2010

Borrower Name	City	ZIP	Facility Type	Date Loan Insured	Original Insured Amount	Current Principal Balance
Asian Health Services	Oakland	94607	CLINIC-PC	10/21/2009	\$ 4,005,000	\$ 4,005,000
Elder Care Alliance of Union City	Union City	94587	MULTI-OTH	06/08/2004	15,685,000	15,110,000
Lifelong Medical Care	Berkeley	94702	CLINIC-PC	12/14/1998	2,970,000	2,175,000
Lincoln Child Center	Oakland	94602	GH-MD	11/23/1999	2,900,000	2,140,000
Native American Health Center	Oakland	94601	CLINIC-PC	06/07/2007	7,829,359	7,829,359
St. Rose Hospital	Hayward	94545	HOSP	05/28/2009	42,100,000	42,000,000
St. Rose Hospital	Hayward	94545	HOSP	05/28/2009	7,500,000	3,000,000
West Oakland Health Council	Oakland	94621	CLINIC-PC	07/21/2003	2,225,000	1,570,000
Total within Alameda	8				\$ 85,214,359	\$ 77,829,359
Enloe Medical Center	Chico	95926	HOSP	08/21/2008	\$ 68,915,000	\$ 65,730,000
Enloe Medical Center	Chico	95926	HOSP	08/21/2008	166,680,000	166,680,000
Oroville Hospital	Oroville	95966	HOSP	10/15/1997	27,670,000	14,650,000
Oroville Hospital	Oroville	95966	HOSP	09/04/2008	2,500,000	-
Total within Butte	4				\$ 265,765,000	\$ 247,060,000
California Autism Foundation	Richmond	94806	GH-DD/MD	04/12/2005	\$ 3,950,000	\$ 2,965,000
Desarrollo Familiar	Richmond	94805	CLINIC-MH	12/23/1986	150,000	70,000
Home for Jewish Parents	Danville	94506	MULTI-OTH	07/09/1997	12,555,000	8,350,000
Total within Contra Costa	3				\$ 16,655,000	\$ 11,385,000
Marshall Medical Center	Placerville	95667	HOSP	10/06/1993	\$ 19,975,000	\$ 6,270,000
Marshall Medical Center	Placerville	95667	HOSP	05/13/1998	28,030,000	18,870,000
Marshall Medical Center	Placerville	95667	HOSP	03/25/2004	30,000,000	29,700,000
Marshall Medical Center	Placerville	95667	HOSP	03/25/2004	20,000,000	20,000,000
Total within El Dorado	4				\$ 98,005,000	\$ 74,840,000

Insured Projects by County, *continued*

Borrower Name	City	ZIP	Facility Type	Date Loan Insured	Original Insured Amount	Current Principal Balance
Sierra View Homes	Reedley	93654	MULTI-OTH	12/18/1996	\$ 4,425,000	\$ 2,705,000
United Health Center of the San Joaquin Valley	Parlier	93648	CLINIC-PC	04/28/2000	950,000	645,000
Valley Health Team	San Joaquin	93660	CLINIC-PC	03/11/2008	2,325,000	2,250,000
Total within Fresno	3				\$ 7,700,000	\$ 5,600,000
Redwoods Rural Heath Center	Redway	95560	CLINIC-PC	03/13/1990	\$ 1,250,000	\$ 735,000
Total within Humboldt	1				\$ 1,250,000	\$ 735,000
Clinicas de Salud del Pueblo	Brawley	92227	CLINIC-PC	03/11/2008	\$ 3,925,000	\$ 3,740,000
El Centro Regional Medical Center	El Centro	92243	HOSP	04/26/2001	39,300,000	31,550,000
Southern California Development - V O A	El Centro	92243	GH-MD	01/11/1996	3,500,000	1,495,000
Total within Imperial	3				\$ 46,725,000	\$ 36,785,000
Henrietta Weill Memorial	Bakersfield	93309	CLINIC-MH	10/14/1992	\$ 1,445,000	\$ 425,000
Kern Valley Healthcare District	Mountain Mesa	93240	HOSP-DIST	05/30/1999	1,500,000	833,133
Kern Valley Healthcare District	Mountain Mesa	93240	HOSP-DIST	09/26/2003	17,770,000	13,605,000
Total within Kern	3				\$ 20,715,000	\$ 14,863,133
Corcoran District Hospital	Corcoran	93212	HOSP-DIST	07/23/1992	\$ 1,555,000	\$ 385,000
Corcoran District Hospital	Corcoran	93212	HOSP-DIST	08/01/2001	800,000	558,490
Total within Kings	2				\$ 2,355,000	\$ 943,490
Mountain Valley	Bieber	96009	CLINIC-PC	03/24/1993	\$ 900,000	\$ 575,000
Total within Lassen	1				\$ 900,000	\$ 575,000
AIDS Healthcare Foundation	Los Angeles	90046	HOSPICE	07/21/2005	\$ 7,250,000	\$ 5,610,000
Altamed Health Services	Los Angeles	90022	CLINIC-PC	04/28/2000	5,250,000	3,660,000
Ararat Home of Los Angeles	Mission Hills	91345	MULTI-OTH	04/29/1998	6,460,000	3,980,000
Beacon House	San Pedro	90731	CDRF	12/08/1993	2,280,000	1,540,000
Children's Institute International	Los Angeles	90005	GH-MD	02/27/1992	5,635,000	3,745,000

Borrower Name	City	ZIP	Facility Type	Date Loan Insured	Original Insured Amount	Current Principal Balance
Children's Institute International	Los Angeles	90005	GH-MD	12/03/2009	14,300,000	14,300,000
Clare Foundation	Santa Monica	90404	CDRF	04/29/2003	1,750,000	1,295,000
Exceptional Children's Foundation	Los Angeles	90008	GH-DD/MD	09/27/1995	2,990,000	1,735,000
Henry Mayo Newhall Memorial Hospital	Valencia	91355	HOSP	02/21/2001	54,895,000	46,970,000
Henry Mayo Newhall Memorial Hospital	Valencia	91355	HOSP	08/01/2007	45,000,000	45,000,000
Henry Mayo Newhall Memorial Hospital	Valencia	91355	HOSP	08/01/2007	30,000,000	30,000,000
Keiro Nursing Home	Los Angeles	90031	SNF	09/29/2004	8,665,000	5,715,000
Los Angeles Centers for Alcohol & Drug Abuse	Santa Fe Springs	90706	CDRF	05/30/2007	2,795,000	2,510,000
Los Angeles Jewish Home for the Aging	Los Angeles	91335	MULTI-OTH	12/17/2003	80,000,000	74,930,000
Los Angeles Jewish Home for the Aging	Los Angeles	91335	MULTI-OTH	02/14/2008	59,595,000	59,595,000
Los Angeles Jewish Home for the Aging	Los Angeles	91335	MULTI-OTH	01/20/2009	4,900,000	-
Pilgrim Place in Claremont	Claremont	91711	MULTI-CCRC	08/19/2009	26,500,000	26,500,000
Principles	Pasadena	91103	CDRF	04/29/2003	2,040,000	1,510,000
Prototypes	Pomona	91767	CDRF	06/27/2001	4,195,000	2,690,000
San Fernando Community Hospital	Panorama City	91402	HOSP	12/11/2001	35,445,000	28,835,000
San Fernando Valley Community Mental Health Center	Van Nuys	91405	ADHC	06/26/1998	3,700,000	2,515,000
Social Model Recovery Systems	Covina	91723	CDRF	06/27/2001	1,890,000	1,435,000
Solheim Lutheran Home	Los Angeles	90041	MULTI-CCRC	12/02/2004	6,415,000	4,210,000
South Bay Alcoholism Services	Long Beach	90802	CDRF	03/24/1993	1,290,000	830,000
Southern California Alcohol & Drug Program	Downey	90241	CDRF	12/18/1997	4,095,000	2,800,000
Southern California Alcohol & Drug Program	Downey	90241	CDRF	05/30/2001	1,780,000	1,360,000
Southern California Alcohol & Drug Program	Downey	90241	CDRF	04/12/2005	1,885,000	1,520,000
Tarzana Treatment Center	Long Beach	90806	CDRF	12/09/1998	1,950,000	1,390,000
The HELP Group	Sherman Oaks	91401	CLINIC-MH	05/22/1998	17,275,000	11,790,000
The HELP Group	Culver City	90066	CLINIC-MH	05/25/2000	17,620,000	14,035,000
The HELP Group	Sherman Oaks	91401	CLINIC-MH	11/19/2009	5,395,000	5,395,000
Valley Community Clinic	Hollywood	91605	CLINIC-PC	03/24/2010	2,040,000	2,040,000
Verdugo Mental Health	Glendale	91205	CLINIC-MH	04/12/2005	1,025,000	810,000
Verdugo Mental Health	Glendale	91205	CLINIC-MH	03/07/2007	5,505,000	5,220,000
Total within Los Angeles	34				\$ 471,810,000	\$ 415,470,000

Insured Projects by County, *continued*

Borrower Name	City	ZIP	Facility Type	Date Loan Insured	Original Insured Amount	Current Principal Balance
Aldersly	San Rafael	94901	MULTI-CCRC	09/26/2002	\$ 7,125,000	\$ 6,130,000
Aldersly	San Rafael	94901	MULTI-CCRC	07/19/2004	1,200,000	903,468
Community Church Retirement Center	Mill Valley	94941	MULTI-OTH	03/11/1997	6,115,000	3,775,000
Total within Marin	3				\$ 14,440,000	\$ 10,808,468
Mendocino Coast Health Care District	Fort Bragg	95437	HOSP-DIST	08/28/1996	\$ 4,030,000	\$ 2,330,000
Mendocino Coast Health Care District	Fort Bragg	95437	HOSP-DIST	10/14/2009	5,000,000	5,000,000
Mendocino Coast Health Care District	Fort Bragg	95437	HOSP-DIST	03/01/2010	1,000,000	-
Total within Mendocino	3				\$ 10,030,000	\$ 7,330,000
Golden Valley Health Centers	Merced	95340	CLINIC-PC	01/28/1994	\$ 3,785,000	\$ 2,095,000
Total within Merced	1				\$ 3,785,000	\$ 2,095,000
California Nevada Methodist Homes	Pacific Grove	93950	MULTI-CCRC	05/03/2006	\$ 42,280,000	\$ 42,280,000
Kinship Center	Salinas	93908	CLINIC-MULTI	03/14/2006	2,910,000	2,610,000
Total within Monterey	2				\$ 45,190,000	\$ 44,890,000
Odd Fellows Home of California	Napa	94559	MULTI-OTH	10/06/1993	\$ 18,995,000	\$ 12,995,000
Total within Napa	1				\$ 18,995,000	\$ 12,995,000
The Episcopal Home Communities	Aliso Viejo	92656	MULTI-CCRC	02/26/2002	\$ 90,000,000	\$ 79,110,000
Feedback Foundation / Senior Services	Anaheim	92801	ADHC	12/01/1992	2,140,000	1,420,000
Social Model Recovery Systems	Orange	92688	CDRF	04/12/2005	955,000	740,000
Total within Orange	3				\$ 93,095,000	\$ 81,270,000
Desert AIDS Project	Palm Springs	92262	CLINIC: AIDS	04/26/2001	\$ 3,570,000	\$ 2,725,000
Total within Riverside	1				\$ 3,570,000	\$ 2,725,000

Borrower Name	City	ZIP	Facility Type	Date Loan Insured	Original Insured Amount	Current Principal Balance
Asian Community Skilled Nursing Facility	Sacramento	95831	SNF	04/12/2005	\$ 2,070,000	\$ 1,155,000
Asian Community Skilled Nursing Facility	Sacramento	95831	SNF	10/03/2007	19,405,000	19,050,000
CARES	Sacramento	95814	CLINIC: AIDS	04/30/1998	3,330,000	2,260,000
Catholic Healthcare West	Sacramento	95816	MULTI-OTH	03/17/1993	9,360,000	4,685,000
Total within Sacramento	4				\$ 34,165,000	\$ 27,150,000
Apple Valley Christian Centers	Apple Valley	92308	SNF	05/24/2001	\$ 9,525,000	\$ 7,485,000
Apple Valley Christian Centers	Apple Valley	92308	SNF	06/16/2003	350,000	64,250
Community Health Systems	Bloomington	92316	CLINIC-PC	08/30/2000	1,295,000	1,020,000
Social Science Services	Bloomington	92316	CDRF	04/28/2000	1,970,000	1,245,000
Victor Valley Community Hospital	Victorville	92392	HOSP	05/26/2000	8,470,000	2,620,000
Victor Valley Community Hospital	Victorville	92392	HOSP	07/30/2007	4,900,000	4,458,782
Total within San Bernardino	6				\$ 26,510,000	\$ 16,893,032
Casa de las Campanas	Rancho Bernardo	92127	MULTI-CCRC	01/28/2010	\$ 54,310,000	\$ 54,310,000
La Maestra Family Clinic	San Diego	92105	CLINIC-PC	09/04/2008	18,500,000	18,500,000
North County Health Services	San Marcos	92069	CLINIC-PC	03/14/1996	5,500,000	3,455,000
North County Serenity House	Escondido	92026	CDRF	01/28/2003	5,795,000	4,745,000
North County Serenity House	Escondido	92026	CDRF	03/20/2009	300,000	-
Retirement Housing Foundation	Poway	92128	MULTI-OTH	12/28/2000	19,375,000	15,515,000
Total within San Diego	6				\$ 103,780,000	\$ 96,525,000
Institute on Aging	San Francisco	94118	MULTI-OTH	08/28/2008	\$ 41,405,000	\$ 41,380,000
Scott Street Senior Housing Complex	San Francisco	94115	MULTI-OTH	06/18/1998	37,770,000	26,960,000
Walden House	San Francisco	94117	CDRF	12/30/2004	7,475,000	5,715,000
Walden House	San Francisco	94103	CDRF	06/01/2008	4,500,000	3,350,000
Total within San Francisco	4				\$ 91,150,000	\$ 77,405,000
Community Medical Center	Stockton	95202	CLINIC-PC	04/12/2005	\$ 3,220,000	\$ 2,600,000
Lodi Memorial Hospital Association	Lodi	95240	HOSP	10/26/2000	12,570,000	1,530,000
Lodi Memorial Hospital Association	Lodi	95240	HOSP	12/13/2007	150,000,000	150,000,000
Total within San Joaquin	3				\$ 165,790,000	\$ 154,130,000

Insured Projects by County, *continued*

Borrower Name	City	ZIP	Facility Type	Date Loan Insured	Original Insured Amount	Current Principal Balance
Community Health Centers of the Central Coast	Nipomo	93444	CLINIC-PC	07/17/1990	\$ 770,000	\$ 445,000
Total within San Luis Obispo	1				\$ 770,000	\$ 445,000
Lompoc District Hospital	Lompoc	93438	HOSP-DIST	09/23/1998	\$ 6,375,000	\$ 2,835,000
Lompoc District Hospital	Lompoc	93438	HOSP-DIST	05/29/2009	4,060,000	4,060,000
Options Family of Services	Santa Maria	93455	GH-DD/MD	05/30/2007	3,090,000	2,880,000
Sansum Clinic	Santa Barbara	93111	CLINIC-MULTI	05/01/2002	32,600,000	25,730,000
Solvang Lutheran Home	Solvang	93463	MULTI-CCRC	08/27/1996	5,210,000	2,860,000
Total within Santa Barbara	5				\$ 51,335,000	\$ 38,365,000
Advent Group Ministries	San Jose	95124	GH-MD	01/27/2005	\$ 400,000	\$ 290,150
Families First	Campbell	95008	CLINIC-MH	03/11/1997	7,025,000	4,065,000
Front Porch Communities and Services	Cupertino	95014	MULTI-CCRC	09/17/1997	4,430,000	2,395,000
Front Porch Communities and Services	Cupertino	95014	MULTI-CCRC	02/25/1999	5,685,000	4,090,000
HOPE Services	San Jose	95128	ADC-DD	06/11/2002	5,845,000	4,055,000
Lincoln Glen Manor for Senior Citizens	San Jose	95125	MULTI-OTH	03/09/2000	7,500,000	5,825,000
Lytton Gardens	Palo Alto	94301	SNF	12/09/1999	16,355,000	13,820,000
Momentum for Mental Health	San Jose	95127	GH-MD	11/13/2003	10,500,000	7,825,000
Odd Fellows Home of California	Saratoga	95070	MULTI-CCRC	10/14/1999	34,500,000	27,040,000
Odd Fellows Home of California	Saratoga	95070	MULTI-CCRC	01/07/2003	80,000,000	73,795,000
Total within Santa Clara	10				\$ 172,240,000	\$ 143,200,150
Salud Para La Gente	Watsonville	95077	CLINIC-PC	03/17/2010	\$ 3,350,000	\$ 3,350,000
Total within Santa Cruz	1				\$ 3,350,000	\$ 3,350,000
Hill Country Community Clinic	Round Mountain	96084	CLINIC-PC	10/30/2007	\$ 5,250,000	\$ 5,140,000
Mayers Memorial Hospital District	Fall River Mills	96028	HOSP-DIST	03/28/2007	6,005,000	4,330,000
Mayers Memorial Hospital District	Fall River Mills	96028	HOSP-DIST	07/12/2007	1,000,000	1,000,000
Total within Shasta	3				\$ 12,255,000	\$ 10,470,000
Mountain Valley	Tulelake	96134	CLINIC-PC	10/28/1992	\$ 1,000,000	\$ 670,000
Total within Siskiyou	1				\$ 1,000,000	\$ 670,000

Borrower Name	City	ZIP	Facility Type	Date Loan Insured	Original Insured Amount	Current Principal Balance
Northern California Retired Officers Community	Fairfield	94533	MULTI-CCRC	12/19/2002	\$ 49,755,000	\$ 39,805,000
Northern California Retired Officers Community	Fairfield	94533	MULTI-CCRC	12/20/2005	16,125,000	11,325,000
Total within Solano	2				\$ 65,880,000	\$ 51,130,000
Becoming Independent	Santa Rosa	95403	ADC-DD	02/29/1996	\$ 1,665,000	\$ 1,000,000
Becoming Independent	Santa Rosa	95403	ADC-DD	01/21/2004	5,000,000	4,375,000
Drug Abuse Alternatives Center	Santa Rosa	95403	CDRF	11/18/1993	1,825,000	1,195,000
Petaluma Health Center	Petaluma	94954	CLINIC-PC	06/02/2010	5,865,000	5,865,000
Southwest Community Health Center	Santa Rosa	95403	CLINIC-PC	02/28/2010	13,270,000	13,270,000
T L C Child & Family Services	Sebastopol	95472	GH-DD/MD	09/17/1997	1,700,000	1,140,000
T L C Child & Family Services	Sebastopol	95472	GH-DD/MD	10/17/2000	2,400,000	1,885,000
Total within Sonoma	7				\$ 31,725,000	\$ 28,730,000
Fellowship Homes	Modesto	95350	MULTI-OTH	08/27/1996	\$ 6,065,000	\$ 3,570,000
Total within Stanislaus	1				\$ 6,065,000	\$ 3,570,000
Family Health Care Network	Porterville	93257	CLINIC-PC	04/15/2008	\$ 7,910,000	\$ 7,545,000
Total within Tulare	1				\$ 7,910,000	\$ 7,545,000
Clinicas del Camino Real	Oxnard	93030	CLINIC-PC	04/12/2005	\$ 9,440,000	\$ 7,690,000
Total within Ventura	1				\$ 9,440,000	\$ 7,690,000
Families First	Davis	95616	GH-DD/MD	03/15/2000	\$ 17,600,000	\$ 11,480,000
Total within Yolo	1				\$ 17,600,000	\$ 11,480,000
Del Norte Clinics	Yuba City	95991	CLINIC-PC	04/28/2000	\$ 1,105,000	\$ 750,000
Del Norte Clinics	Yuba City	95991	CLINIC-PC	12/23/2003	8,795,000	7,370,000
Total within Yuba	2				\$ 9,900,000	\$ 8,120,000
Total Within All Counties	139				\$ 2,017,064,359	\$ 1,735,067,632

Exhibit VII

Risk Rating by County Based on Current Principal Balance As of June 30, 2010

County	"A" Rated		"B" Rated		"C" Rated		"D" Rated		"E" Rated		Portfolio	
	Current Principal Balance	Percent	Current Principal Balance	Percent	Current Principal Balance	Percent	Current Principal Balance	Percent	Current Principal Balance	Percent	Current Principal Balance	Percent
Alameda	\$7,829,359	0.5%	\$50,885,000	2.9%	\$19,115,000	1.1%					\$77,829,359	4.5%
Butte	\$232,410,000	13.4%			\$14,650,000	0.8%					\$247,060,000	14.2%
Contra Costa			\$11,385,000	0.7%							\$11,385,000	0.7%
El Dorado	\$74,840,000	4.3%									\$74,840,000	4.3%
Fresno	\$4,955,000	0.3%	\$645,000	0.04%							\$5,600,000	0.3%
Humboldt	\$735,000	0.04%									\$735,000	0.04%
Imperial	\$35,290,000	2.0%	\$1,495,000	0.1%							\$36,785,000	2.1%
Kern					\$425,000	0.02%	\$14,438,133	0.8%			\$14,863,133	0.9%
Kings			\$943,490	0.1%							\$943,490	0.1%
Lassen					\$575,000	0.03%					\$575,000	0.03%
Los Angeles	\$227,620,000	13.1%	\$150,720,000	8.7%	\$31,100,000	1.8%			\$6,030,000	0.3%	\$415,470,000	23.9%
Marin	\$10,808,468	0.6%									\$10,808,468	0.6%
Mendocino			\$7,330,000	0.4%							\$7,330,000	0.4%
Merced	\$2,095,000	0.1%									\$2,095,000	0.1%
Monterey	\$2,610,000	0.2%	\$42,280,000	2.4%							\$44,890,000	2.6%
Napa	\$12,995,000	0.7%									\$12,995,000	0.7%
Orange	\$80,530,000	4.6%			\$740,000	0.04%					\$81,270,000	4.7%
Riverside	\$2,725,000	0.2%									\$2,725,000	0.2%
Sacramento	\$27,150,000	1.6%									\$27,150,000	1.6%
San Bernardino			\$1,245,000	0.1%	\$8,098,782	0.5%	\$7,549,250	0.4%			\$16,893,032	1.0%
San Diego	\$72,810,000	4.2%	\$23,715,000	1.4%							\$96,525,000	5.6%
San Francisco	\$68,340,000	3.9%			\$9,065,000	0.5%					\$77,405,000	4.5%
San Joaquin	\$154,130,000	8.9%									\$154,130,000	8.9%
San Luis Obispo			\$445,000	0.03%							\$445,000	0.03%
Santa Barbara	\$35,485,000	2.0%	\$2,880,000	0.2%							\$38,365,000	2.2%
Santa Clara	\$117,210,000	6.8%	\$25,700,000	1.5%	\$290,150	0.02%					\$143,200,150	8.3%
Santa Cruz	\$3,350,000	0.2%									\$3,350,000	0.2%
Shasta			\$5,140,000	0.3%	\$5,330,000	0.31%					\$10,470,000	0.6%
Siskiyou					\$670,000	0.04%					\$670,000	0.04%
Solano	\$51,130,000	2.9%									\$51,130,000	2.9%
Sonoma	\$27,535,000	1.6%	\$1,195,000	0.1%							\$28,730,000	1.7%
Stanislaus	\$3,570,000	0.2%									\$3,570,000	0.2%
Tulare	\$7,545,000	0.4%									\$7,545,000	0.4%
Ventura	\$7,690,000	0.4%									\$7,690,000	0.4%
Yolo	\$11,480,000	0.7%									\$11,480,000	0.7%
Yuba			\$8,120,000	0.5%							\$8,120,000	0.5%
Total	\$1,282,867,827	73.9%	\$334,123,490	19.3%	\$90,058,933	5.2%	\$21,987,383	1.3%	\$6,030,000	0.3%	\$1,735,067,632	100.0%

Anticipated Recoveries

As of June 30, 2010

Borrower Name	City	Facility Type	Obligation Amount
Apple Valley Christian Centers	Apple Valley	SNF	\$ 514,783
Clinica Sierra Vista ³	Bakersfield	CLINIC-PC	971,101
Hermandad Mexicana Nacional ¹	Los Angeles	CLINIC-PC	3,989,897
Kazi House	Compton	CDRF	2,500,000
Los Medanos Health Care Corporation ²	Pittsburg	HOSP-DIST	1,277,631
New School for Child Development ³	Van Nuys	GH-DD/MD	3,381,010
Sunset Haven	Upland	MULTI-OTH	498,952
Total Estimated Assets			\$ 13,133,375

Footnotes

¹ Obligation amount includes a loan for \$999,897 and \$2,990,000 expected recoveries from a property sale that total \$3,989,897.

² Obligation amount includes two loans for \$1,277,630 and \$1 that total \$1,277,631.

³ Direct Note with owner making monthly payments.

Exhibit IX

Liabilities Related to Defaults

As of June 30, 2010

Borrower Name	City	Facility Type	Loan Date	Original Amount	Remaining Principal Balance
Sherman Oaks - Triad	Sherman Oaks	HOSP	06/11/1998	\$ 182,320,000	\$ 104,330,000
Total Liabilities				\$ 182,320,000	\$ 104,330,000

Additional copies of this report may be obtained by contacting:

Office of Statewide Health Planning and Development
Cal-Mortgage Loan Insurance Division
400 R Street, Suite 470
Sacramento, CA 95811
(916)319-8800 FAX (916)445-2837
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